

FRIDLEY CITY CODE

CHAPTER 606. INTOXICATING LIQUORS -- ON-SALE CLUBS

(Ref. 405, 648, 772, 809, 912, 935, 956, 984, 1197, 1200, 1201, 1211, 1212, 1222, 1242, 1271, 1292)

606.01. DEFINITIONS

The following definitions shall apply in the interpretation and application of this Chapter and the following words and terms, wherever they occur in this Chapter, are defined as follows: (Ref. 956)

1. Club. "Club" is an incorporated organization organized under the laws of the state for civic, fraternal, social, or business purposes, for intellectual improvement, or for the promotion of sports, or a congressionally chartered veterans' organization, which:

- A. has more than 50 members;
- B. has owned or rented a building or space in a building for more than one year that is suitable and adequate for the accommodation of its members.
- C. is directed by a board of directors, executive committee, or other similar body chosen by the members at a meeting held for that purpose. No member, officer, agent, or employee shall receive any profit from the distribution or sale of beverages to the members of the club, or their guests, beyond a reasonable salary or wages fixed and voted each year by the governing body.

2. On-Sale. "On-Sale" is the sale of alcoholic beverages for consumption on the licensed premises only. (Ref. 956)

606.02. LICENSES REQUIRED

No person or organization shall sell, deal in or dispose of by gift, sale or otherwise, any liquor without first having obtained a license to do so from the City Council; provided, however, that this Section shall not prohibit the giving or serving thereof to guests in a private home, shall not prohibit the sale thereof by a manufacturer or distributor to a person holding a license thereunder, and shall in no way effect the operation of the municipal liquor stores. In addition to the foregoing, no person shall sell any intoxicating liquor after 1:00 a.m. without obtaining a special Late Night License Endorsement for an existing liquor license as provided in this Chapter.

606.03. KIND OF LICENSE ISSUED

"On-Sale" licenses may be issued to clubs for the sale of on-sale liquors to members of the organization or their bona fide guests only. (Ref. 956)

606.04. SUNDAY LIQUOR SALES

No person or organization shall sell any intoxicating liquor on Sundays without obtaining a separate license for said Sunday sales. The annual license fee for "Sunday Liquor Sales" shall be as provided in Chapter 11. The annual fee for a license endorsement for late hour liquor sales after 1:00 a.m., but before 2:00 a.m. shall be provided in Chapter 11. These fees are in addition to the fee charged for an "On-Sale" license. All provisions of the Chapter pertaining to the "On-Sale" license shall apply to the "Sunday Liquor Sales" license, and the Late Night License Endorsement insofar as applicable. (Ord 1197)

606.05. APPLICATION

All applications for licenses hereunder shall be made to the City setting forth all information necessary to show whether or not the applicant qualifies for such a license under this Chapter, together with such additional information as may be required by the City Council.

606.06. LICENSE FEE

The annual license fees shall be the maximum allowed in Minnesota Statute 340A as provided in Chapter 11 of this Code. (Ref. 956)

606.07. BONDS

1. Each application for an "on-sale", "off-sale" liquor license or "on-sale" wine license shall be accompanied by a surety bond in the amount of \$3,000.00 running to the City of Fridley, or in lieu thereof, cash or United State Government bonds of equivalent market value, as provided in Minnesota Statutes, Section 340.12. The bond shall be in effect for the period covered by the license.
2. The bond's conditions are as follows:
 - A. The licensee will obey the laws relating to the licensed business.
 - B. The licensee will pay to the City, when due, all taxes, licenses, penalties, and other charges.
 - C. In the event of any violation of any liquor laws, the bond shall be forfeited to the City, as obligee.
3. Bonds for "on-sale" licenses shall be filed with the City Clerk and approved by the City Council. Bonds for "off-sale" licenses and lion-sale" wine licenses shall be filed with the City Clerk and approved by the City Council and the Commissioner of Public Safety.

4. All bonds shall be for the benefit of the City, as obligee, and all persons suffering damages by reason of the violation of the conditions of 606.07.2. Upon forfeiture of the bond for violation of the law, the District Court of Anoka County may forfeit the bond's penal sum or any part thereof to the City.

5. Operation of a licensed business without having on file at all times with the City of Fridley effective security as required above shall be grounds for immediate revocation of the license. (Ref. 809)

606.08. LIABILITY INSURANCE

1. Every person licensed to sell at retail intoxicating liquor or non-intoxicating malt liquor at on-sale or off-sale or on-sale wine shall, after August 1, 1983, demonstrate proof of financial responsibility with regard to liability imposed by Minnesota Statutes, Section 340.95 to the City Clerk as a condition of the issuance or renewal of his or her license. Proof of financial responsibility may be given by filing:

A. A certificate that there is in effect for the period covered by the license an insurance policy or pool providing the following minimum coverages:

(1) \$50,000 because of bodily injury to any one person in any one occurrence, and, subject to the limit for one person, in the amount of \$100,000 because of bodily injury to two or more persons in any one occurrence, and in the amount of \$10,000 because of injury to or destruction of property of others in any one occurrence.

(2) \$50,000 for loss of means of support of any one person in any one occurrence, and, subject to the limit for one person, \$100,000 for loss of means of support of two or more persons in one occurrence; or

B. A bond of a surety company with minimum coverages as provided in clause (A) above, or

C. A certificate of the State Treasurer that the licensee has deposited with the State Treasurer \$100,000 in cash or securities which may legally be purchased by savings banks or for trust funds having a market value of \$100,000.

2. A liability insurance policy required by Section 606.08.1 shall provide that it may not be canceled for any cause, either by the insured or the insurance company without first giving ten (10) days notice to the City of Fridley in writing of the intention to cancel it, addressed to the City Clerk of the City of Fridley.

3. A liability insurance policy required by Section 606.08.1 shall provide that the insurance company agrees to contact the City of Fridley in writing and addressed to the City Clerk of the City of Fridley, within ten (10) days of any claim made against the policy.

4. A liability insurance policy required by Section 606.08.1 that contains annual aggregate limits of liability shall require the insured to buy additional coverage after any claim is made that reduces the coverage under the policy below the requirements of Section 606.08.1.

5. The operation of a retail intoxicating or non-intoxicating malt liquor business at on-sale or off-sale or on-sale wine, without having on file at all times with the City of Fridley the liability insurance policy or other evidence of financial responsibility required under Section 606.08.1 shall be grounds for immediate revocation of the license. Notice of cancellation of a current liquor liability policy serves as notice to the licensee of the impending revocation and unless evidence of compliance with the financial responsibility requirements of Section 606.08.1 is presented to the City Clerk before the termination is effective, the license will be revoked instantly upon the lapse.
6. The City Clerk shall submit the provided proof of financial responsibility to the Commissioner of Public Safety.

606.09 GRANTING OF LICENSES

1. Initial Licenses

- A. Upon receipt of a complete application, the City Clerk shall forward the application to the Public Safety Director, or Director's designee, for verification and investigation of the facts set forth in the application. The Director or their designee shall complete such investigation and make a written recommendation and report to the City Clerk. The report shall include a list of all violations of any federal, state or municipal law.
- B. After receipt of the written report, the City Clerk shall forward the application to the Fire Department and Building Inspections Department for their review and comment.
- C. Within twenty (20) days after the receipt of the Director's written report, the City Clerk shall cause to be published a Notice of Public Hearing regarding the license application in the official newspaper at least ten (10) days in advance of the public hearing. The Notice shall include the date, time and place of the public hearing, the name of the applicant, the address of the premises to be licensed, and the nature of the business. The City Clerk shall prepare a written report to the City Council for the public hearing which shall include the Director's report and any comments the Fire and Building Inspections Departments may have. An application for a temporary on-sale 3.2% malt liquor license shall be exempt from the public hearing requirement.
- D. At the time of the public hearing, opportunity shall be given to any person to be heard for or against the granting of the license. If additional information is required, the City Council may conduct an additional hearing, as it may deem advisable, within a reasonable amount of time. The City Council may thereafter grant or deny the application in its discretion.
- E. The City Clerk shall, within ten (10) days after the issuance of any license under this Chapter, submit the required documentation to the Commissioner of Public Safety. The City Clerk shall also submit to the Commissioner of Public Safety any change of address, cancellation or revocation of any license by the City Council during the license period.

- F. Each license is issued to the applicant at the premises described in the application. No license may be transferred to another person or to another location.
- G. Where a license is granted to a premises where the building is under construction or otherwise not ready for occupancy, the City Clerk shall not issue the license until a Certificate of Occupancy has been issued. The Building Inspection Department shall notify the City Clerk that the Certificate of Occupancy has been issued and the building is ready for occupancy.

2. Renewal Licenses

- A. Applications for the renewal of an existing license shall be made at least 60 days prior to the date of the expiration of the license and shall be made in such abbreviated form as the City Council may approve. If, in the judgment of the City Council, good and sufficient cause is shown by an applicant for their failure to file for a renewal within the time provided, the City Council may, if the other provisions of this Chapter are complied with, grant the application. A review shall be made of all facts set out in the application. The City Council shall grant or refuse the application in its discretion.
- B. Each license holder shall be given written notice, by mail, at least ten (10) days but not more than thirty (30) days before the City Council acts upon their license renewal. This notice shall be in a form as designated by the City Clerk and shall specify the date and time when the renewal application will be considered by the City Council. The license holder shall be permitted an opportunity to address the City Council on its license renewal application. (Ref. 809)

606.10. CONDITIONS

All licenses granted hereunder shall be issued subject to the following conditions, and all other conditions of this Chapter and subject to all other provisions of this Code applicable thereto:

1. The license shall be posted at all times in a conspicuous place on the licensed premises.
2. No sale of any liquor will be made to any person under guardianship nor to any person under twenty-one (21) years of age. (Ref 912)

3. Only lawful gambling or lawful gambling devices permitted by the State of Minnesota and expressly authorized and permitted by the City of Fridley pursuant to Chapters 30 and 603 of the City Code shall be authorized on the licensed premises. (Ref 1200)
4. All licenses granted under this Chapter shall be issued for the premises designated in the application. Such license shall not be transferred to another place without approval of the licensing authority.
5. No license shall be granted within six hundred (600) feet of any public school nor within six hundred (600) feet of any church.
6. The licensed premises shall be open to inspection by any Police or Health Officer or other properly designated officer or employee of the City at any time during which the club shall be open to its members for business.
7. The sale of intoxicating liquor under such license is restricted to members of the club and their bona fide guests. (Ref. 956)
8. The licensee shall strictly observe all of the laws relative to the "on-sale" of intoxicating liquor as set forth in the Minnesota Statutes, together with all the rules and regulations of the State Liquor Control Commission insofar as they are applicable.
9. The liability insurance policy as required by this Chapter shall be in full force and effect during the term of any license granted thereunder.
10. No licensee shall permit in any licensed establishment, or any adjoining property owned or leased by the licensee, any boxing, wrestling, or any other form of entertainment whose primary purpose is physical contact by striking or touching an opponent with hands, head, feet, or body. Team sports in which physical contact is incidental to the primary purpose of the game such as basketball, volleyball, soccer, football, baseball, hockey, and softball are not included among activities prohibited by this section. (Ref 1201)
11. No licensee shall use or permit to be used any playing cards on the licensed premise except that playing cards may be used during a tournament of a social skill card game as defined by Minnesota Statute 609.761, subdivision 3, and conducted pursuant to regulations contained therein and this City Code. (Ref Ord 1211)

A. Social Skill Card Game Tournament

- (1) A social skill card game tournament means one separate and distinct organized contest involving contestants who compete in a series of elimination card games of social skill as defined by Minnesota Statute 609.761, subdivision 3.
- (2) No licensee shall permit or conduct more than one social skill card game tournament at any one time on the licensed premise or any adjoining property owned or leased by the licensee and no social skill card game tournament shall be permitted or conducted except during the normal hours of operation of the licensed premise.

- (3) No licensee shall charge or permit to be charged any fee, cover charge, or buy-in, or require or permit to be required purchase or consideration of any kind to enter the place where a social skill card game tournament is occurring as a participant or spectator.
- (4) No licensee shall charge or permit to be charged, to either participants or spectators of a social skill card game tournament, a price for consumer goods which is higher than the price that is normally charged.
- (5) No licensee shall permit wagers in a social skill card game tournament to be made with currency or any other thing of value except tournament chips or tokens. Tournament chips or tokens shall represent tournament points only and shall have no cash value or be redeemable for cash or for any other thing of value, except the point total represented by the players' accumulation of tournament chips or tokens shall be used to determine winners and/or final place in a tournament.
- (6) No licensee shall permit players or spectators to make any side bets or back bets, or engage in any other form of gambling, at a social skill card game tournament.
- (7) No licensee shall permit the aggregate amount or fair market value of prizes offered or given in any single social skill card game tournament to exceed \$200 and no licensee shall award or permit to be awarded prizes exceeding a \$200 value to any one social skill card game tournament participant on any one day.
- (8) No licensee shall award or permit to be awarded any prize consisting of intoxicating liquor, beer, or wine, or certificate for future consideration of same, in a social skill card game tournament.
- (9) No person, partnership, corporation, or other organization, other than the licensee, shall conduct or be permitted to conduct a social skill card game tournament on a licensed premise without first having obtained a tournament service provider license pursuant to this Chapter.

B. Social Skill Card Game Tournament Service Provider

- (1) A person, partnership, corporation, or other organization, other than the licensee, who conducts, organizes supplies or promotes a social skill card game tournament on a premise licensed under this Chapter, is a social skill card game tournament service provider.
- (2) No person, partnership, corporation, or other organization shall act as a social skill card game tournament service provider without first having obtained a license to do so from the City Council.

- (3) All applications for tournament service provider licenses shall be made to the City setting forth all information necessary to show whether or not the person, partnership, corporation, or other organization qualifies for such a license under this Chapter, together with such additional information as may be required by the City Council. A completed application form must include the full true names, dates of birth, social security numbers and addresses of all persons financially interested in the business and/or all persons who are either on the Board of Directors of or hold offices in the entity or organization. The term “persons financially interested in the business” shall include all persons who share in the profits of the business.
- (4) All applications for a license shall be referred to the Public Safety Director for verification and investigation of the facts set forth in the application. The Public Safety Director shall cause to be made such investigation of the information requested as shall be necessary and shall make a written recommendation and report to the City Council which shall include a list of all violations of Federal or State law or Municipal ordinance. The City Council may order and conduct such additional investigation as it shall deem necessary. In making a determination of suitability for a tournament service provider license, the City Council shall consider the background of each person, partner, corporate officer or individual applicant.
- (5) No license shall be granted or held by any person who has been convicted, within 15 years prior to the application of such license, of any felony violation of any law of the United States, the State of Minnesota, or any other state or territory, or of any local ordinance involving or related to theft or gambling.
- (6) The annual license fee and expiration date shall be as provided in Chapter 11 of this Code.

606.11. HOURS OF OPERATION

1. No sale of intoxicating liquor for consumption on the licensed premises may be made between 1:00 a.m. and 8:00 a.m. on the days of Monday through Saturday, nor between 1:00 a.m. and 10:00 a.m. on Sunday. No sale may be between the hours of 8:00 p.m. December 24th and 8:00 a.m. December 26th without a Holiday Endorsement. (Ref. 935, 984, 1271)
 - A. Holiday Endorsement. The Holiday Endorsement enables the establishment to remain open on Monday through Saturday between the hours of 8:00 a.m. on December 24th and 1:00 a.m. on December 25th and between 8:00 a.m. on December 25th and 1:00 a.m. on December 26th. Should December 24th, 25th or 26th fall on a Sunday, the establishment may not sell, provide or allow the consumption of liquor until 10:00 a.m. or until such other time as defined by Minnesota Statutes.
 - B. Those establishments which also hold a Late Night Endorsement as defined in Section 606.11.3 of the Fridley City Code may remain open until 2:00 a.m. on December 25th and 26th.
2. It shall be unlawful for any persons or, customers, other than the licensees or their employees to remain on the premises after 1:30 a.m. There shall be no consumption by any persons, including the licensees and their employees, after 1:30 a.m. (Ref. 809)

3. Notwithstanding the foregoing, a sale of intoxicating liquor for consumption may occur on a licensed premises between the hours of 1:00 a.m. and 2:00 a.m. if the licensee has been granted by the city a Late Night Endorsement for that license. No sale of intoxicating liquor for consumption on any license premises for which a Late Night License Endorsement has been granted by the city shall occur between 2:00 a.m. and 8:00 a.m. on the days of Monday through Saturday. It shall be unlawful for any persons or customers, other than the licensees or their employees, to remain on a licensed premises for which a Late Night License Endorsement has been granted by the City, nor shall there be any consumption by any persons, including the licensees and their employees on such premises, more than one-half hour after closure of operations for that day and, in no event, later than 2:30 a.m. (Ord 1197)

606.12. PATIO ENDORSEMENT (Ref Ord 1242)

The sale of alcoholic beverages pursuant to any of the licenses issued in accordance with Chapters 602, 603 or 606 of the Code, with the exception of a temporary license, will be limited to the sale and consumption inside of a structure on the licensed premises, unless the licensee applies for and receives approval from the City Council for a Patio Endorsement to allow the sale and consumption outside of a structure on the licensed premises.

2. Regulations

- A. An outdoor patio shall not be enclosed in such a manner that the air becomes indoor air as defined by state law.
- B. The patio shall be attached to the licensed premises and share at least one common wall or side with the licensed premise building/structure. The contiguous area will not be part of a public street, sidewalk or other public grounds.
- C. If part of the parking lot is used to install an outdoor patio, the patio must share one common wall with the licensed premise. In addition, the licensed premise must continue to meet the parking requirements set by city code and the outdoor patio shall not affect the circulation of traffic.
- D. Access to the patio shall be directly from the licensed premises with no direct access other than an emergency exit (exit only) equipped with an alarm, from any area other than by passing through the normal interior public areas of the licensed premise.
- E. The patio shall be clearly delineated by a permanent installed fence, or other structure or barrier, at least 42" high to prevent the ingress or egress of persons to and from the patio. The fence shall be designed and constructed in a manner that discourages or deters the passing of any regulated, controlled or prohibited items outside from one side of the fence to the other side of the fence.
- F. Panic and fire exit hardware shall be installed on the fence or barrier and comply with the Minnesota Building.

- G. Patios in direct contact with, or immediately adjacent to a parking area for motor vehicles, shall have sufficient barriers installed, as defined by the Minnesota State Building Code, to reduce the likelihood of incursion of vehicles into the patio space.
- H. The licensee shall pay the current Metropolitan Council S.A.C. unit(s) for outside seating.
- I. The patio shall be placed in an area to meet the state and federal accessibility requirements.
- J. There shall be no live entertainment. Music, sound or noise in the patio enclosure shall comply with the provisions and requirements of Chapter 124 of the Fridley City Code at all times.
- K. The sale and consumption of intoxicating liquor within the patio is limited to the normal business hours. No licensee, nor the employee, nor agent of any license will serve, dispense, possess, display, or in any manner furnish intoxicating liquor at any other time.
- L. All other conduct pertaining to the licensed premises required by this Code or Minnesota state statutes shall apply.

3. Application

Any club to which an on-sale intoxicating or wine license has been issued may submit an application for a patio endorsement. The application shall contain a description of the outdoor area that is proposed to be licensed and will be accompanied by a drawing of the proposed area to be licensed. The application will also include a detailed description of the barriers that will be used, the method of seating, ingress and egress arrangements, security provisions, sanitary and fire arrangements and lighting. The drawings must include the dimensions of the area, barriers, tables, aisles and equipment, and must be drawn proportionately to scale.

This application must be submitted to the City Clerk for review and comment by the Police Department, Fire Department, and Community Development Department before submission to the City Council. The City staff will review the suitability of the proposed licensed area in light of the applicable fire, building and life safety codes, zoning codes, past performance of the licensee in maintaining order and obeying applicable laws in the licensed patio and in the principal licensed premises, the adequacy of the proposal to provide for the safety of persons on the proposed premises, impact on the surrounding land, adequacy of lighting, appropriateness of noise level, suitability of ingress and egress arrangements including control of persons entering and leaving for purposes of preventing consumption by minors and safety of seating arrangements.

If the patio endorsement is approved by the City Council, the licensee would be required to apply for and pay for the appropriate building permits and fees.

4. Violations

- A. It shall be a violation of this code, by the license holder and/or any employees or agents of the license holder, to permit, allow or fail to prevent persons from directly accessing the patio by means other than through the building on the premises.

- B. It shall be a violation of this code by the license holder and/or any employees or agents of the license holder, or to allow any other person, to provide, furnish or give any liquor, tobacco products, weapons, or any other regulated controlled or prohibited items (for example, drugs, dice, cards, etc.) from one side of the fence or barrier to the other.
- C. Any violation of the provisions of this Code or of the state law regulating the sale of liquor which occur in the patio area will be considered as a violation of the principal on-sale license for the premises.

606.13. PROHIBITED SALES

No licensee shall sell or serve liquor to any intoxicated person or persons or permit any intoxicated person or persons to remain upon the premises occupied by the holder of such license.

606.14. CONDUCT PROHIBITED

No person shall conduct himself or herself in a disorderly or boisterous manner upon the premises of a licensee holding an "on-sale" license, nor shall such licensee permit or suffer such conduct upon such licensed premises.

606.15. ADMINISTRATIVE OFFENSES (Ref Ord 1212)

1. Administrative Civil Penalties: Administrative offense procedures established pursuant to this chapter are intended to provide the public and the City with an informal, cost effective, and practical alternative to traditional criminal charges for violations of this ordinance. The procedures are intended to be voluntary on the part of those who have been charged with administrative offenses.
2. Every licensee shall be responsible for the conduct of its employees while on the licensed premises and any sale or other disposition of any intoxicating liquor, 3.2% malt liquor, beer or wine by an employee to any person under twenty-one (21) years of age shall be considered an act of the licensee for purposes of imposing an administrative penalty, license suspension, or revocation.
 - A. Individual. At any time prior to the payment of the administrative penalty as is provided for hereafter, the individual may withdraw from participation in the procedures in which event the City may bring criminal charges in accordance with law. Likewise, the City, at its discretion, may bring criminal charges in the first instance. In the event a party participates in the administrative offense procedures but does not pay the monetary penalty which may be imposed, the City will seek to collect the costs of the administrative offense procedures as part of a subsequent criminal sentence in the event the party is charged and is adjudicated guilty of the criminal violation.

- B. Licensee. At any time prior to the payment of the administrative penalty as is provided for hereafter, the licensee may withdraw from participation in the procedures in which event the City may permanently revoke the license issued to the licensee under this Chapter in accordance with law. Likewise, the City, in its discretion, may revoke the license issued to the licensee under this Chapter in the first instance. In the event a licensee participates in the administrative offense procedures but does not pay the monetary penalty which may be imposed, the City will suspend the license issued to the licensee under this Chapter in accordance with section 606.15.B of this ordinance.
3. Notice. Any officer of the Fridley Police Department shall, upon determining there has been a violation, notify the violator of the violation. Said notice shall set forth the nature, date and time of violation, the name of the officer issuing the notice and the amount of the scheduled penalty.
4. Payment. Once such notice is given, the alleged violator may, within twenty (20) days of the time of issuance of the notice pay the amount set forth on the notice, or may request a hearing in writing, as provided for hereafter. The penalty may be paid in person or by mail, and payment shall be deemed to be an admission of the violation.
5. Hearing. Any person contesting an administrative offense pursuant to this Chapter may request a hearing before the Hearing Examiner. Such request shall be filed in writing with the office of the Public Safety director within twenty (20) days of the offense. The Public Safety Director shall notify the Hearing Examiner, who will notify the person contesting and the licensee of the date, time, and place of hearing. The hearing shall be conducted no more than twenty (20) days after the Hearing Examiner receives notice of the request, unless a later date is mutually agreed to by the Hearing Examiner, the licensee, the person contesting and the City. Within ten (10) days after such hearing, the Hearing Examiner shall affirm, repeal, or modify the charge against the licensee or the person contesting. Any person aggrieved by the decision of the Hearing Examiner may appeal with the Public Safety Director within twenty (20) days of receiving notice of the Hearing Examiner's decision. At its next available regular meeting following the filing of a notice of appeal, the Council shall review the decision and findings of fact of the Hearing Examiner and shall affirm, repeal or modify that decision.
6. Hearing Examiner. The position of Hearing Examiner is hereby created. The City Manager may, at his discretion and with the approval of the Council, contract with third parties for the furnishing of all services of the Hearing Examiner as contained in this Chapter and set the rate of compensation therefore.
7. Qualifications. The Hearing Examiner shall be an individual trained in law; however, it shall not be required that the Hearing Examiner be currently licensed to practice law in the State of Minnesota.

8. Duties: The Hearing Examiner shall have the following duties:
 - A. Set dates and hear all contested cases.
 - B. Take testimony from all interested parties.
 - C. Make a complete record of all proceedings including findings of fact and conclusions of law.
 - D. Affirm, repeal or modify the penalty assessed.
9. Failure to Pay. In the event a party charged with an administrative penalty fails to pay the penalty, if an individual, the party will be charged with the criminal offense; if a licensee, the Council will suspend the license issued to the licensee under this Chapter.
10. Disposition of Penalties. All penalties collected pursuant to this Chapter shall be paid to the City's treasurer and will be deposited in the City's general fund.

606.16. VIOLATIONS

1. Administrative Civil Penalties: Individuals. Any person in the employ of a licensee who sells any intoxicating liquor, 3.2% malt liquor, beer or wine to a person under the age of twenty-one (21) years is subject to an administrative penalty; and any person under the age of twenty-one (21) years who attempts to purchase any intoxicating liquor, 3.2% malt liquor, beer or wine from a licensee is subject to an administrative penalty. The administrative penalties are as follows:

First violation. The penalty for the first violation is \$250.00.

Second violation within 12 months. The penalty for the second violation is \$500.00.

Third violation within 12 months. The penalty for the third violation is \$750.00.

2. Administrative Civil Penalties; Licensee. If a licensee or an employee of a licensee is found to have sold any intoxicating liquor, 3.2% malt liquor, beer or wine to a person under the age of twenty-one (21) years, the licensee shall be subject to an administrative penalty as follows:

First violation. The penalty for the first violation is \$500.00. If the fine is not paid within 20 days the City may suspend the license issued to the licensee under this Chapter for a period not to exceed 10 days.

Second violation within 12 months. The penalty for the second violation is \$1000.00. If the fine is not paid within 20 days the City may suspend the license issued to the licensee under this Chapter for a period not to exceed 30 days.

Third violation within 12 months. The city may permanently revoke the license issued to the licensee under this Chapter.

3. Defense. It is a defense to the charge of selling intoxicating liquor, 3.2% malt liquor, beer or wine to a person under the age of twenty-one (21) years, that the licensee or individual, in making the sale, reasonably and in good faith relied upon representation of proof of age described in State Statute Section 340A.503. subdivision 6, paragraph (a).

4. Exemption. A person, no younger than 18 and no older than 20, may be enlisted to assist in the tests of compliance. The person shall at all times act only under the direct supervision of a law enforcement officer or an employee of the licensing department, or in conjunction with a compliance check effort that has been pre-approved by the Fridley Police department. A person who purchases or attempts to purchase intoxicating liquor, 3.2% malt liquor, beer or wine while in this capacity is exempt from the penalties imposed by subdivision A above.

606.17. REVOCATION

In addition to the provisions for revocation in Chapter 11 of this Code, any license granted hereunder may be revoked by the City Council for cause. Cause for revocation shall be violation by the licensee or its employees of any law of the State of Minnesota relating to intoxicating liquor or violation by the licensee or its employees of any provision or condition of this Chapter. Except as provided in Sections 606,07 and 606-08, before a license is revoked, the licensee shall be provided with written notice setting out the nature of the charges against the licensee and setting a time and place for hearing before the City Council not less than ten (10) days from the service of said notice. No portion of the license fee paid shall be returned upon revocation.

606.18. PENALTIES

Any violation of this Chapter is a misdemeanor and is subject to all penalties provided for such violations under the provisions of Chapter 901 of this Code.